

**APPLICATION FOR PERMISSION TO CHANGE POINT OF
DIVERSION, MANNER OF USE AND PLACE OF USE OF THE
PUBLIC WATERS OF THE STATE OF NEVADA
HERETOFORE APPROPRIATED**

Date of filing in State Engineer's Office JUN 10 1998

Returned to applicant for correction _____

Corrected application filed _____

Map filed MAR 26 1997 under 62879

The applicant **Sauge Partners, LLC**, a Nevada limited liability company, and **Steve C. Hamilton, Inc.**, hereby make application for permission to change the **Point of Diversion, Place and Manner of Use of a portion** of water heretofore appropriated under **Claim 165 of the Truckee River Decree**, said Decree entered by the District Court of the United States for Nevada in that certain action entitled "**The United States of America vs. Orr Water Ditch Company, et al., Defendants**", in Equity Docket A-3.

1. The source of water is **Truckee River**
2. The amount of water to be changed **4.406 afa and a prorata share of the diversion rate**
3. The water to be used for **Municipal and Domestic**
4. The water heretofore permitted for **As Decreed**
5. The water is to be diverted at the following point **The points of diversion of Sierra Pacific's existing water treatment plants as described in attached Exhibit "A" and as shown on the map supporting Application No. 58882 on file with the Division of Water Resources, State of Nevada.**
6. The existing permitted point of diversion is located within **the SE¼ of the NE¼ of Section 14, T.19N., R.18E., M.D.M., or at a point from which the Northeast corner of said Section 14 bears North 24°26' East a distance of 1840 feet. Last Chance Ditch per Orr Ditch Decree. See Map No. 58810 for existing point of diversion.**
7. Proposed place of use **See attached Exhibit "B" and as shown on the map that accompanied Application No. 62141.**
8. Existing place of use **0.98 acres within the SW¼ of the SW¼ of Section 14, T.19N., R.19E., M.D.M.. All of Washoe County Assessor's Parcel Nos. 14-141-12 and 14-143-09.**
9. Use will be from **As Decreed.**
10. Use was permitted from **As Decreed.**
11. Description of proposed works **Water will be diverted by existing S.P.P. Co. facilities, treated and placed into the existing distribution system.**
12. Estimated cost of works **S.P.P. Co. has invested in excess of \$50 million**
13. Estimated time required to construct works **Completed**
14. Estimated time required to complete the application of water to beneficial use **10 years**
15. Remarks: **During 1997 Sierra Pacific served an average of 65,954 non-duplicate customers and delivered approximately 71,384 acre feet of water. Maximum daily delivery was 124.5 million gallons**

(382.08 acre feet). This application transfers 4.406 acre feet of water for future use by Sauge Partners, LLC and Steve C. Hamilton.

By s/George G. Lindesmith
George G. Lindesmith
Tri State Surveying
1925 E. Prater Way
Sparks, Nevada 89434

Compared bk/cms dr/cmf

Protested 9/18/98 Churchill County wdn 06/21/99/~~protested by City of Fallon/~~
protest withdrawn by City of Fallon 08/09/99

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion, place of use and manner of use of a portion of the waters of the Truckee River as heretofore granted under Claim 165, Truckee River Final Decree is issued subject to the terms and conditions imposed in said decree and with the understanding that no other rights on the source will be affected by the change proposed herein. A suitable measuring device must be installed and accurate measurements of water placed to beneficial use must be kept.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

(CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.016 cubic feet per second, but not to exceed 4.406 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

N/A

Proof of completion of work shall be filed on or before:

N/A

Water must be placed to beneficial use on or before:

February 4, 2013

Proof of the application of water to beneficial use shall be filed on or before:

March 4, 2013

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, HUGH RIECI, P.E.,

State Engineer of Nevada, have hereunto set
my hand and the seal of my office,

this 4th day of February, A.D. 2003


State Engineer

Completion of work filed March 12, 1997 under 60929

Proof of beneficial use filed _____

Cultural map filed N/A

Certificate No. _____ Issued _____

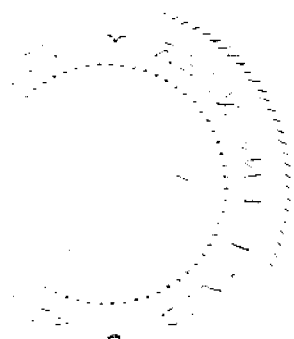


EXHIBIT "A"

The following describes the multiple points of diversion for Sierra Pacific Power Company Water Treatment Plants, which are shown on the map accompanying Application No. 58882 on file with the State of Nevada, Division of Water Resources, more particularly described as follows:

STEAMBOAT CANAL (HUNTER CREEK RESERVOIR):

The existing point of diversion is situate within the Northeast one-quarter of the Southwest one-quarter (NE1/4 SW1/4) of Section 31, T.19N., R.18E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Southeast corner of said Section 31 bears South 62°04' East, a distance of 3,195.00 feet.

HIGHLAND DITCH (HIGHLAND RESERVOIR):

The existing point of diversion is situate within the Southwest one-quarter of the Southeast one-quarter (SW1/4 SE1/4) of Section 9, T.19N., R.18E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Southeast corner of said Section 9 bears South 75°16' East, a distance of 1,650.00 feet.

IDLEWILD TREATMENT PLANT:

The existing point of diversion is situate within the Southeast one-quarter of the Southeast one-quarter (SE1/4 SE1/4) of Section 10, T.19N., R.19E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Southeast corner of said Section 10 bears South 69°57'58" East, a distance of 842.34 feet.

NORTH TRUCKEE DITCH (GLENDALE TREATMENT PLANT):

The existing point of diversion is situate within the Southwest one-quarter of the Northeast one-quarter (SW1/4 NE1/4) of Section 7, T.19N., R.20E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Northeast corner of said Section 7 bears North 39°28' East, a distance of 3,015.00 feet.

ORR DITCH PUMP STATION (CHALK BLUFF TREATMENT PLANT):

The point of diversion is situate within the Northeast one-quarter of the Southeast one-quarter (NE1/4 SE1/4) of Section 17, T.19N., R.19E., M.D.B.&M., Washoe County, Nevada from said point of diversion the Northeast corner of said Section 17 bears North 15°39'36" East, a distance of 3,264.77 feet.

ORR DITCH (CHALK BLUFF TREATMENT PLANT):

The point of diversion is situate within the Northeast one-quarter of the Southwest one-quarter (NE1/4 SW1/4) of Section 17, T.19N., R.19E., M.D.B.&M., Washoe County, Nevada from said point of diversion the Southwest corner of said Section 17 bears South 44°40' West, a distance of 3,211.00 feet.

EXHIBIT "B"
PROPOSED PLACE OF USE

<u>DIVISION</u>	<u>SECTION</u>	<u>T-N</u>	<u>R-E</u>	
ALL	1-5	18	18	M.D.B.&M.
E½	6&7	18	18	M.D.B.&M.
ALL	8-17	18	18	M.D.B.&M.
E½	18&19	18	18	M.D.B.&M.
ALL	20-29	18	18	M.D.B.&M.
E½	30&31	18	18	M.D.B.&M.
ALL	32-36	18	18	M.D.B.&M.
ALL	1-5	19	18	M.D.B.&M.
E½	6&7	19	18	M.D.B.&M.
ALL	8-17	19	18	M.D.B.&M.
E½	18&19	19	18	M.D.B.&M.
ALL	20-29	19	18	M.D.B.&M.
E½	30&31	19	18	M.D.B.&M.
ALL	32-36	19	18	M.D.B.&M.
ALL	1-5	20	18	M.D.B.&M.
E½	6&7	20	18	M.D.B.&M.
ALL	8-17	20	18	M.D.B.&M.
E½	18&19	20	18	M.D.B.&M.
ALL	20-29	20	18	M.D.B.&M.
E½	30&31	20	18	M.D.B.&M.
ALL	32-36	20	18	M.D.B.&M.
ALL	1-5	21	18	M.D.B.&M.
E½	6&7	21	18	M.D.B.&M.
ALL	8-17	21	18	M.D.B.&M.
E½	18&19	21	18	M.D.B.&M.
ALL	20-29	21	18	M.D.B.&M.
E½	30&31	21	18	M.D.B.&M.
ALL	32-36	21	18	M.D.B.&M.
ALL	1-36	18	19	M.D.B.&M.
ALL	1-36	19	19	M.D.B.&M.
ALL	1-36	20	19	M.D.B.&M.
ALL	1-36	21	19	M.D.B.&M.
ALL	2-35	18	20	M.D.B.&M.
W½	36	18	20	M.D.B.&M.
ALL	1-12	19	20	M.D.B.&M.
ALL	14-23	19	20	M.D.B.&M.
ALL	26-35	19	20	M.D.B.&M.
ALL	1-36	20	20	M.D.B.&M.
ALL	1-36	21	20	M.D.B.&M.
ALL	1-36	20	21	M.D.B.&M.
ALL	1-36	21	21	M.D.B.&M.

SEE SUPPORTING MAP ON FILE WITH APPLICATION NO. 62141

